

A U S T I N C I T Y C O U N C I L

# AGENDA



Thursday, September 28, 2006

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## Public Works RECOMMENDATION FOR COUNCIL ACTION

**ITEM No. 37**

**Subject:** Authorize negotiations and execution of construction contracts with SPAWGLASS CONTRACTORS, INC., Austin, TX, and, SCHINDLER ELEVATOR CORPORATION, San Antonio, TX, for the Austin Bergstrom International Airport Elevator and Escalator Improvement Project in an aggregate amount not to exceed \$1,105,281.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2005-2006 Amended Capital Budget of the Aviation Department.

**Fiscal Note:** A fiscal note is attached.

### Additional Backup Material

(click to open)

- [AFFIDAVIT](#)
- [Fiscal Note](#)

**For More Information:** Dennis Crabill, 974-7232 or Laura Bohl, 974-7064.

**Prior Council Action:** Contract awarded to Stewart-Matl, Ltd. on June 23, 2005. Authorization to negotiate with Hensel-Phelps on August 31, 2006.

In 2004, the Department of Aviation determined that the terminal's elevators and escalators needed to be replaced and/or improved due to a history of system failures and safety related concerns, including a documented history of accidents and injuries. The City contracted with the Aguirre Corporation for architectural and engineering services for the Austin Bergstrom-International Airport (ABIA) Elevator and Escalator Improvements Project (Project). The City received grants from the Federal Aviation Administration (FAA) and allocated other City funding for the Project. The City issued an invitation for bids for the Project and a construction contract was awarded to Stewart-Matl, Ltd. On August 18, 2006, with the Project only partially completed, the City terminated its contract with Stewart-Matl, Ltd. Several of the elevator and escalator improvements are temporarily inoperative. During the week of August 21, 2006, four escalators were inoperative at one time. Two of the escalators were inoperative for more than 24 hours.

There is an immediate need to have the remaining work performed by a replacement general contractor without further bidding in order to preserve or protect the public health or safety of the City's residents and the traveling public, as allowed by Section 252.002(a)(2) of the Texas Local Government Code. Until the Project is completed, the ability of Airport Operations to implement an emergency response preparedness plan and to safely, expeditiously, and efficiently evacuate the terminal may be compromised. In addition, until the Project is completed, the terminal building may not provide a reasonably accessible route for handicapped persons to travel from the concourse level to the baggage claim area. SpawGlass Contractors, Incorporated, a national construction company with extensive experience in airport construction has indicated its willingness to negotiate with the City to contract to complete the ABIA Elevator Escalator Improvement Project.

In addition to a new contract with a general contractor, the City may need to contract directly with the Schindler Group, the elevator and escalator equipment manufacturer, without further bidding in order to insure consistency in the installation, maintenance and safety of the equipment, as a further measure

necessary to preserve or protect the public health or safety. Schindler has already manufactured and delivered a portion of the replacement elevator and escalator units and is in the process of manufacturing and delivering the remaining units. The Department of Aviation is satisfied that the quality of the new elevator and escalator units meets the applicable specifications and will adequately preserve or protect the health or safety of the City's residents and the traveling public.

The not to be exceeded amount of \$1,105,281 represents the currently remaining Project balance. Additional funding in excess of the amount of the remaining balance of the original contract will be needed to complete the Project, which will require a budget amendment. The contracts will be negotiated with a funded scope based on available funding and a remaining scope contingent on the allocation of additional funding. The currently amount of available funding will be subject to payment to Stewart-Matl for work previously performed, for its costs of termination, and for the costs of terminating subcontracts, as provided in the construction contract. The FAA has indicated that the remaining grant funds will be eligible to fund close-out and buy-out costs and certain categories of payments for the new contracts, which are anticipated to exceed the available funding. In addition, the available grant funds are subject to an ongoing reimbursement process and an exact amount of remaining grant funds available to fund the new contracts will be determined in the Stewart-Matl close-out and subcontractor buy-out process. The City will negotiate the federal disadvantaged business enterprise ("DBE") participation with SpawGlass Contractors in the contract negotiation process. SpawGlass Contractors is aware of the DBE program and has an excellent record of program compliance. Schindler is a publicly held corporate entity and will not subcontract its work.

The substantial amount of time required to revise plans and specifications, repackage bid documents, advertise for replacement contractors, award contracts, and execute new contracts, would result in a failure to adequately preserve or protect the public health or safety. The purchase of the remaining equipment and services can be made as expeditiously as possible under the provisions of the Texas Local Government Code and Texas case law, in order to protect or preserve the public health or safety of the municipality and members of the traveling public.

AUSTIN-BERGSTROM INTERNATIONAL AIRPORT  
ELEVATOR & ESCALATOR PROJECT  
PUBLIC HEALTH AND SAFETY PURCHASING AFFIDAVIT

STATE OF TEXAS        }  
                                  }  
COUNTY OF TRAVIS    }

BEFORE ME, the undersigned authority, personally appeared Jim Smith, who being by me first duly sworn, upon oath deposed and stated: “My name is Jim Smith. I am the Executive Director of the City of Austin’s Austin-Bergstrom International Airport (“ABIA”). I am over eighteen (18) years of age and I have personal knowledge of the facts set forth below and am competent and authorized to make this affidavit.

The City of Austin’s Department of Aviation operates the ABIA, which serves as a national air transportation hub, providing essential transportation services to citizens of Austin and members of the traveling public. In doing so, the City is responsible for the protection and preservation of the health, safety, and security of literally hundreds of thousands of citizens of the City and members of the traveling public.

The ABIA passenger terminal building operates as a unified system to efficiently, expeditiously, safely, and securely move the traveling public and their baggage through ticketing, airport security, the concourse area, and baggage claim. The safety and security of ABIA requires the Department of Aviation to prepare an emergency response preparedness plan, which includes the ability to expeditiously, efficiently, and safely evacuate all areas of the terminal. In addition, the terminal building is a public accommodation subject to the requirements of the Americans with Disabilities Act and the Texas Accessibility Standards, and it must be accessible to members of the public with disabilities.

In 2004, the Department of Aviation determined that the terminal’s elevators and escalators needed to be replaced and/or improved due to a history of system failures and safety related concerns, including a documented history of accidents and injuries. The City contracted with the Aguirre Corporation for architectural and engineering services for the ABIA Elevator and Escalator Improvements Project (the “Project”). The City issued an invitation for bids for the Project and a construction contract was awarded to Stewart-Matl, Ltd.

On August 18, 2006, with the Project only partially completed, the City terminated its contract with Stewart-Matl, Ltd. Several of the elevator and escalator improvements are temporarily inoperative. There is an immediate need to have the remaining work performed by a replacement general contractor.

The City must complete the Project in order to preserve or protect the public health or safety of the City's residents and the traveling public. Until the Project is completed, the City will be faced with a continuing probability of system failures and safety related concerns. Until the Project is completed, the ability of Airport Operations to implement an emergency response preparedness plan and to safely, expeditiously, and efficiently evacuate the terminal may be compromised. In addition, until the Project is completed, the terminal building may not provide a reasonably accessible route for handicapped persons to travel from the concourse level to the baggage claim area. In the event of a partial system failure, handicapped persons may have to leave the terminal at the concourse level, cross the access road, enter the parking garage to access a working elevator, cross the lower access road, and then re-enter the terminal at the baggage claim area.

The situation described above requires immediate action to complete the remaining work on an expedited basis in order to preserve or protect the public health or safety of the traveling public and the City's residents. It is essential for the City to enter contracts on an expedited basis to complete the work in order to preserve or protect the public health or safety of the traveling public and the City's residents. Additional funding in excess of the amount of the remaining balance of the original contract may be needed to complete the construction and preserve or protect the public health or safety, which may require a budget amendment.

The elevator and escalator subcontractor/supplier has already manufactured and delivered a portion of the replacement elevator and escalator units and is in the process of manufacturing and delivering the remaining units. The Department of Aviation is satisfied that the quality of the new elevator and escalator units meets the applicable specifications and will adequately preserve or protect the health or safety of the City's residents and the traveling public. To insure consistency in the installation, maintenance and safety of the equipment, the City will need to contract directly with the equipment manufacturer, a former subcontractor, without further bidding, as a measure necessary to preserve or protect the public health or safety.

As the affiant, I am familiar with state and local laws relating to competition and bidding requirements. It is my opinion that the substantial amount of time



# CIP BUDGET FISCAL NOTE

**DATE OF COUNCIL CONSIDERATION:**  
**WHERE ON AGENDA:**  
**DEPARTMENT:**

9/28/2006  
Resolution  
Aviation

**DESCRIPTION:** Authorize execution of a construction contract with Spaw Glass Contractors, Incorporated, Austin, TX, NC and Schindler Elevator Corporation, San Antonio, TX, NC for the Austin-Bergstrom International Airport Elevator and Escalator Improvement Project in an amount not to exceed \$1,105,281.

## FINANCIAL INFORMATION

<b>Project Name:</b>	Elevator & Escalator Improvements
<b>Project Authorization:</b>	2005-2006 Amended Capital Budget
<b>Funding Source:</b>	Airport Capital Fund
<b>Fund/Agency/Orgn:</b>	4910-817-3086

Current Appropriation	\$6,100,000.00
Available Balance	\$1,105,281.00
Amount of this Action	<u>(\$1,105,281.00)</u>
Remaining Balance	<u><u>\$0.00</u></u>